Treasury and Policy Board

Business Plan 2006–2007

May 9, 2006

106-06144/

Table of Contents

A. Message from the Minister 3

B. Vision and Mission 4

C. Planning Context 4

D. Strategic Goals 5

E. Core Business Areas 5
1. ***Support to Executive Council and its Sub-Committees*** 5
2. ***Strategic Planning and Budgeting*** 5
3. ***Coordination of Corporate Policies and Priorities*** 6
4. ***Supporting Effective Corporate Administration of Government*** 6

F. Priorities 6
1. ***Provide High-Quality Analysis to the Executive Council*** 6
2. ***Improve Government Accountability*** 8
3. ***Improve Government-Wide Systems, Processes and Procedures*** 8

G. Budget Context 10

H. Performance Measures 11
Support to Treasury and Policy Board / Cabinet 11
Strategic Planning and Budgeting 12
Coordination of Corporate Policies and Priorities 13
Supporting Effective Corporate Administration of Government 14

Treasury and Policy Board — Business Plan — 2006–2007

A. Message from the Minister

I am pleased to present the Treasury and Policy Board office Business Plan for the 2006–2007 fiscal year.

The Treasury and Policy Board was created in 2001 as part of the government's vision for a streamlined executive and public service. In 2005, Treasury and Policy Board implemented a new structure to help improve the way it fulfills its mandate to provide administrative support and advice to Executive Council.

The new structure includes three branches: the Treasury Branch, the Policy Branch, and Executive Council Operations. A year has passed since the new structure was announced and I am pleased with the progress the Treasury and Policy Board has made. We have seen improvements in the way we analyse government's annual and longer term expenditures; we have started a process to enhance our leadership on cross government policy development and capacity and we strengthened governance for third party entities to better respond to government's interest and needs.

As we head into a new fiscal year, with the new structure firmly in place and a full complement of professional staff, we look forward to continued improvements in the way we manage the Province's expenditure and policy decisions and ensure they are managed in a professional and accountable manner.

Hon. Angus MacIsaac
Chair of Treasury and Policy Board

B. Vision and Mission

Vision - Public policy excellence that promotes the social and economic well-being of the province.

Mission - To work collaboratively with all government entities to develop, implement and communicate effective public policy that reflects government goals and priorities.

C. Planning Context

Under TPB's new structure, the Treasury Branch is responsible for supporting Executive Council's, and Treasury and Policy Board's (the Cabinet subcommittee) financial decision making. The branch will enhance its ability to provide analysis and advice on the Province's longer term investment opportunities. As well, the branch will concentrate on better understanding the annual expenditures of government agencies, and will take responsibility for leading the annual business planning and accountability reporting processes. The branch will continue its responsibility for allocating and monitoring provincial operating and capital expenditures.

The Policy Branch is responsible for supporting Executive Council and its committees including the Legislative and Regulatory Review and various issues committees as required. In collaboration with government agencies, the branch identifies significant near- and long-term policy challenges and, in some cases leads cross government policy development. The branch will ensure that Cabinet has the information and options it needs, to discuss the issue in an informed manner. On a more operational level, the branch analyzes most submissions to Executive Council. Additionally, the branch reviews all presentations to Executive Council and its committees, excluding the Treasury and Policy Board. In collaboration with the sponsoring agency, the branch analyzes both policy and financial considerations and makes recommendations.

Executive Council meets weekly to address very complex and highly confidential matters. To function effectively, Executive Council requires support to ensure its decisions are properly recorded and executed. TPB is Executive Council's secretariat. As such, it is a vital link that ensures government functions effectively. The Executive Council Operations Branch is non-departmental in function and purpose. It serves the Cabinet and its Committees, TPB's executive team as well as departments, agencies, boards and commissions. The Branch aims to ensure that the business of Cabinet and its Committees is conducted in a timely efficient way and that proper collective information is provided. The ECO Branch will work to improve agenda management for Cabinet and its Committees, strengthen governance and accountability for government's third party entities and develop policies and procedures for more efficient and effective operations of the machinery of government. The Branch also coordinates government's ABC appointment process, and processes requests under the *Freedom of Information and Protection of Privacy Act* for the Executive Council Office, Premier's Office and Treasury & Policy Board.

D. Strategic Goals

- Provide high-quality analysis and recommendations to the Executive Council, and its committees, and provide corporate leadership to government agencies.
- Improve governance/accountability for government agencies including crown corporations.
- Improve systems, processes and procedures required for effective and efficient administration of government.

E. Core Business Areas

1. *Support to Executive Council and its Sub-Committees*

A key responsibility of the TPB office is managing submissions to, and follow-up from Executive Council, Treasury and Policy Board, the Legislative and Regulatory Review Committee, and Cabinet's Issues Committees. The office develops the Executive Council agenda and provides critical analysis of policy and expenditure proposals. The analysis, which accompanies submissions to the Executive Council and the Cabinet committees, serves as background to the decision-making process and helps ensure decisions are based on complete and accurate information and a full understanding of corporate policy and financial implications.

The TPB office also supports the work of the Legislative and Regulatory Review Committee by identifying policy issues that should be referred to Cabinet , TPB or the Cabinet committees for review and decision and provides advice on draft legislation to ensure policy objectives are met.

2. *Strategic Planning and Budgeting*

The TPB office assists the Executive Council in developing and communicating corporate priorities and develops processes to ensure funding allocations are consistent with policy direction and priorities. The office analyzes and advises on department and agency budgets to ensure that allocations support priorities, suggesting modification when necessary.

The TPB office is the Government of Nova Scotia's central planning agency. Responsibilities include preparing the Government of Nova Scotia Business Plan publication and coordinating the publication of annual business plans for departments, agencies and crown corporations.

While primary responsibility for the provincial budget rests with the Minister of Finance, the TPB office works closely with the Department of Finance to prepare the provincial budget. The office coordinates the development of the expenditure component of the budget and monitors government expenditures throughout the year to ensure that expenditure targets are achieved. TPB is also responsible for the capital budget and leads the Tangible Capital Asset Prioritization Committee.

3. ***Coordination of Corporate Policies and Priorities***

The office identifies major corporate policy issues and coordinates policy development with departments and agencies on issues that cross departmental boundaries. The TPB office initiates, and sometimes leads, corporate projects.

4. ***Supporting Effective Corporate Administration of Government***

The TPB office continues to work to improve the administration of government by developing new policy, issuing and communicating guidelines and standards, advising on government structure and programs and by supporting senior leadership development.

An important role of the TPB office is to improve the accountability and performance reporting practices of Government, departments/offices, certain government agencies and crown corporations. Building on the progress made in recent years (annual business planning including performance measures and accountability reporting), work is being conducted to implement monthly financial reporting by all government agencies.

TPB is also leading a corporate project to improve governance and accountability of government's third party entities. Implementation of improved governance and accountability processes is expected to provide clear direction and support for the entities to work toward shared outcomes with departments and a more effective and efficient use of public funds.

F. Priorities

1. ***Provide High-Quality Analysis to the Executive Council***

TPB is required to provide high-quality analysis and recommendations to the Executive Council, and its five Cabinet committees, and provide corporate leadership to government agencies. As a result of TPB's new direction and structure:

The Treasury Branch will:

- increase analysis and planning for government's longer term expenditures and opportunities for investment (sharpening the "business case" for investments)

- expand review and examination of government agencies' annual expenditures (increasing our understanding of "base spending")
- increase coordination of annual budget allocation, business planning, and accountability reporting
- provide financial advice and support for the Labour Relations Committee

The Policy Branch will:

- continue to increase inter-agency coordination, develop and manage a policy agenda that identifies government's significant opportunities and challenges and, in certain cases, lead cross government policy development
- implement a plan to increase policy capacity across government
- improve support for Executive Council, its issues Committees, and the Legislation and Regulatory Review Committee through long range planning and increased coordination among government entities
- continue the integration of financial and policy analyses of Memorandum to Executive Council, and Reports and Recommendations (excluding ABC appointments)

The Executive Council Operations Branch will:

- improve agenda management of submissions to Cabinet and Committees by quality assurance role, ensuring submissions meet requirements established by Cabinet
- improve record keeping and management of Cabinet documents and records of decision.
- strengthen governance framework for third party entities to better respond to government's interests and needs

Human Resources Plan

- All branches will work collaboratively to develop a Human Resources Strategy for Treasury and Policy Board. It is believed this will be a first in Canada for a Cabinet Secretariate.

2. ***Improve Government Accountability***

Program Inventory and Costing - The purpose of the project is to develop an inventory of programs with related cost information. The inventory is designed to provide important information to help government assess the effectiveness, economy, and efficiency of programs and services and to formulate policy and funding decisions. Our priority for 2006–2007 is to update the web based application allowing for administrative improvements including archiving and enhanced reporting ability. The costing methodology will continue to be developed and piloted in several departments. A users group will also be established to provide advice and guidance on modifications and improvements to the system.

User Fees and Government Charges - The purpose of the project is to develop corporate policy and guidelines for the administration of government charges and user fees. The project also includes developing a government charges database to provide management information. In 2004–2005 a master list of government charges was developed and draft policy work was completed. Our priority for 2006–2007 is to complete development of a user fees and government charges policy, in consultation with departments, and further develop the government charges database.

"Better Regulation - Everyone's Business" - The legacy of the Red Tape Reduction Task Force is a focus on continuous improvement in the regulatory regimes across government. The Province announced its continued commitment to regulatory reform, launching a new phase of the process which will ensure that "red tape reduction" continues throughout the provincial government, and that attention is directed to the continuous improvement of the quality of regulatory regimes. Treasury and Policy Board will lead a Corporate Policies and Procedures project to build a strong network of regulatory coordinators across government departments. TPB will develop training and orientation materials for coordinators to ensure that any new or amended regulations from their departments meet the Better Regulation principles.

Third-Party Entity Governance and Accountability
This multi-year initiative will continue in 2006–2007. In consultation with departments and third-party entities consolidated in the province's financial statements, TPB will continue working on strengthening governance and accountability policies and procedures for government's third-party entities. For 2006–2007, the ECO Branch will develop orientation materials for use by members of boards, prepare an analysis of the capacity in departments and at TPB to complement improved governance and accountability, and make recommendations to Cabinet on remuneration guidelines for the appointment process to ABC's.

3. ***Improve Government-Wide Systems, Processes and Procedures***

Management Manuals
The Treasury and Policy Board office has responsibility for maintaining the Management Manuals to ensure their currency and relevancy. All policies/procedures in the Management Manuals are reviewed at least once every three (3) years. Treasury & Policy Board office will continue to coordinate this review process and to meet the time

frames. TPB office will continue to promote the use of the management manuals and its website by ensuring that components of the management manuals are incorporated into future PSC manager/executive programs and working more closely with Crown Corporations to ensure each they understand their applicability and use. In addition, TPB analysts will be promoting the Management Manuals by making a standard presentation when meeting with Senior Management teams of departments.

G. Budget Context

Treasury and Policy Board - Estimated Budget Expenditures			
	Budget 2005–2006	Forecast 2005–2006	Budget 2006–2007
	($000's)	($000's)	($000's)
Total - Gross Current	$3,079.0	$2,707.0	$3,321.0
Salaries and Benefits	$2,566.0	$2,254.1	$2,644.5
Funded Staff (FTEs)	29.0	24.6	31.0

H. Performance Measures

Core Business Area: Support to Treasury and Policy Board / Cabinet				
OUTCOME	**MEASURE**	**DATA**	**TARGET 2006–2007**	**STRATEGIES to achieve target**
Quality information and advice to Executive Council and TPB	Overall satisfaction with information and advice to Executive Council and TPB per bi-annual Client Survey	85% overall satisfaction level with the Cabinet document submission process (2005–2006), an 8% increase over 2003–2004 base year	Maintain overall satisfaction of at least 85%	Implement 2006–2007 business plan and continue to maintain high quality analysis and advice

Core Business Area: Strategic Planning and Budgeting				
OUTCOME	**MEASURE**	**DATA**	**TARGET-2006–2007**	**STRATEGIES to achieve target**
Improved financial and business planning and accountability reporting	Overall satisfaction with: - budget process; - business plan process; and - accountability reporting process.	Overall satisfaction based on 2005 Survey: - budget process - 66% (1% increase over 2003 base year) - business plan process - 78% (13% increase over base 2003 year) - accountability reporting process - 80% (17% increase over 2003 base year)	Increase overall satisfaction above 2005 levels	Build on successful relationships with the Departments at the Senior and staff levels.
Increased understanding of Government's priorities	Client survey: Percentage of survey respondents who said they have a good understanding of Government's priorities and goals	Percentage of survey respondents who said they have a good understanding of Government's priorities and goals based on the 2005 Survey (base year): - 88%	Maintain at 88%	Use the policy capacity initiative to promote government priorities. Increase TPB presence on inter-departmental initiatives.

Core Business Area: Coordination of Corporate Policies and Priorities				
OUTCOME	**MEASURE**	**DATA** *(for baseline year and subsequent years)*	**TARGET-2006–2007**	**STRATEGIES to achieve target**
Collaborative policy development	Client survey: Percentage of survey respondents agreeing that TPB provides good leadership in coordinating corporate policy efforts.	Percentage of survey respondents agreeing that TPB provides good leadership in coordinating corporate policy efforts based on 2005 Survey (base year): - 67%	Increase above 70%	Move ahead with policy capacity initiative

Core Business Area: Supporting Effective Corporate Administration of Government				
OUTCOME *(immediate or intermediate)*	**MEASURE** *(outcome-based; quality, efficiency/productivity, cost-effectiveness)*	**DATA** *(for baseline year and subsequent years)*	**TARGET-2006–2007**	**STRATEGIES to achieve target**
Useful administrative policies that facilitate efficient government administration See Note 1.	Client survey: Percentage of survey respondents satisfied with the Management Manual updating process.	Percentage of survey respondents satisfied with the Management Manual updating process based on 2005 Survey (base year): - 70% (a decline of 13% from 2003)	Return satisfaction rating to 80% or above.	Continue and improve promotion of Management Manual update process and work with Senior management of departments to promote the use of and updates to the manuals.

Note 1: The measures for this outcome in 2003–2004 were "percentage of corporate policies in process" and "percentage of corporate policies published". Because these percentages do not have a predictable pattern, this measure has been replaced by a satisfaction measurement of the overall management manual process.